

**UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

CITYZENITH HOLDINGS, INC., and)	
MICHAEL JANSEN)	
)	
Plaintiffs,)	22-cv-05101
)	
v.)	
)	
SHANE LIDDELL, and)	JURY TRIAL DEMANDED
CALEB NAYSMITH,)	
)	
Defendant.)	

AMENDED COMPLAINT

Plaintiffs, Cityzenith Holdings, Inc. and Michael Jansen, by their undersigned attorneys, complains of Defendants Shane Liddell and Caleb Naysmith as follows.

PARTIES

1. Plaintiff Cityzenith Holdings, Inc. (“Cityzenith”) is a corporation incorporated in the state of Delaware. Its principal place of business is located in Chicago, Illinois.
2. Plaintiff Michael Jansen (“Jansen”) is a citizen of Illinois and resides in Cook County, Illinois.
3. Defendant Shane Liddell (“Liddell”) is a citizen of Australia. He resides in Florida.
4. Defendant Caleb Naysmith (“Naysmith”) is a Kentucky citizen and resides in Lexington, Kentucky.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 as Plaintiffs and Defendants are completely diverse and the amount in controversy exceeds \$75,000, excluding costs and interest. Plaintiffs suffered over \$8,000,000 in claimed damages including

punitive damages treble the \$2,000,000 in claimed actual damages. Plaintiffs are entitled to large punitive in an amount to be determined by the jury due to the willful and wanton nature of the Defendants' misconduct.

6. Venue is proper in this district under 28 U.S.C. §1391(b)(2) because the events or omissions giving rise to Plaintiffs' claims against Defendants occurred in this district.

7. There is personal jurisdiction and venue here because the damages were suffered here. Jansen's permanent residence is in Cook County. Cityzenith's principal place of business is located in Chicago, Illinois. The lost reputation, humiliation emotional distress and other damages Plaintiffs are suffering due to the defamation *per se* and/or false light invasion of privacy are occurring here. Defendants knew and intended to harm Plaintiffs where their reputations are centered: Cook County, Illinois.

BACKGROUND FACTS

Cityzenith

8. Founded by the creators of Google Earth and Sequoia Capital-backed Satellier, Plaintiff Cityzenith is the urban Digital Twin platform provider of choice for data driven-building owners and managers seeking to accelerate both their energy transition and their climate resilience goals. A global leader in the space, in 2021 the company was selected by the World Economic Forum to participate in its Net Zero Carbon Cities program to help building owners around the world leverage Digital Twin technology to eliminate carbon emissions. The company has active projects across the United States from Las Vegas to Los Angeles to Chicago, and its clients include Cushman and Wakefield, CBRE, the US Army, W.S. Atkins, and other high-profile companies in the building industry.

9. Government and commercial users of Cityzenith's software navigate, query, and analyze massive amounts of data in a virtual 3-D urban Digital Twin model, optimizing all aspects of city project planning, construction, operations, and emissions reduction faster and more accurately than ever before. Cityzenith's technology automates the complex manual green building retrofit process, making it easy for building owners to transform their assets into sustainable long-term, healthy revenue producing buildings.

10. According to Forbes, 500 major world cities will rely on Digital Twins for daily operations by 2026. Cityzenith is regularly acknowledged in the media among other market leaders including Microsoft, Siemens, and Phillips. The company's work has been profiled in Forbes, Inc., Fast Company, TechCrunch, and over 1000 other major media outlets in the last 18 months, including CNBC and Cheddar News. See <https://cityzenith.com/post/technology-companies-cityzenith-siemens-and-phillips-set-to-capitalize-on-2-46-trillion-forecast-around-smart-cities-fueled-by-the-drive-for-carbon-neutrality>. CNBC recently profiled the company as 1 of 5 growing startups in the United States positioned to benefit from the recent Inflation Reduction Act.

11. Cityzenith has raised over \$15 million since inception and is regarded as a pioneer among tech companies, having crowdfunded all of that money. Between 2009 and 2018, the company raised \$7 million from individual investors based primarily overseas. In 2015, Cityzenith became one of the first American companies to leverage the benefits of crowdfunding in the United Kingdom under the Enterprise Investment Scheme, raising approximately 4,000,000 UK pounds between 2015 and 2018. In 2019, the company undertook its first crowdfunding campaign in the

United States on the Republic platform, regulation¹, which reached the maximum \$1.07 million maximum target in just 2 1/2 months, setting a performance record. <https://republic.com/cityzenith>

. In June 2020, the company launched its current regulation A+², during which it successfully raised another \$7 million over the last two years.

Cityzenith's Founder and CEO Michael Jansen

12. Jansen was born in 1969. He is the grandson of immigrants from Poland who fled persecution during the First World War. Six of his grandfather's eight siblings died before the age of 10. Growing up, Jansen developed a deep respect for his maternal grandfather, who had scrubbed garbage cans to put himself through engineering school at the Illinois Institute of Technology and later was appointed to an exclusive team at NASA that helped put the first space capsule in orbit which could take photographs.

13. Jansen was raised in the small, quiet, new suburban blue-collar suburb of Schaumburg Illinois. A star performer from grade school, Michael attended Saint Viator high school in Arlington Heights in 1983 and graduated valedictorian, becoming the first graduate of the high school to attend an Ivy League university, matriculating in 1987. As a student at Yale University, Jansen excelled in the architecture department and was admitted into the highly

¹ When Cityzenith raised money in 2019, companies could raise only up to a maximum of \$1.07 million under Reg CF. The amount of money that companies can raise in America under reg CF increased to 5 million within the last one year.

² Regulation A + is another crowdfunding mechanism for companies seeking to raise larger amounts of money and provides an exemption from registration for public offerings. Regulation A has two offering tiers: Tier 1, for offerings of up to \$20 million in a 12-month period; and Tier 2, for offerings of up to \$75 million in a 12-month period. For offerings of up to \$20 million, companies can elect to proceed under the requirements for either Tier 1 or Tier 2. Cityzenith qualified for a Tier 1 Regulation A+ in June 2020.

prestigious master's program of architecture at Cambridge University in the United Kingdom a couple of years later.

14. Jansen's career took off as soon as he graduated. In the early 90s, Jansen became one of the first professional American architects to see the opportunities emerging in east Asia and moved to China where he led the first Sino-American joint venture US architecture practice in Beijing, at the age of 23.

15. Two years later, Jansen was awarded a prestigious Fulbright Scholarship to research architecture across the subcontinent of India. He was the first architect ever to be awarded a Fulbright scholarship to study in India since the inception of the program. Michael is fluent in Hindi and Chinese.

16. During his twenties, Jansen quickly rose up the ladder at two major United States architecture practices. Jansen was offered a partnership at a major California architecture practice at the age thirty. Jansen declined the offer, preferring to form his first business, a computer design outsourcing company called Satellier, based in India with clients around the world.

17. That business exceeded all expectations and was later funded by Sequoia Capital and Silicon Valley Bank who together invested \$13 million and who famously were early investors in Google, Yahoo, Oracle, and YouTube, Jansen grew that business starting with just himself, a desk, and a phone into a major global organization with 700 employees across four continents. Today Jansen runs Cityzenith, one of the world's leading digital twin software companies helping building owners to eliminate carbon emissions.

18. Jansen's work is very important to the world and for the health of the planet. Buildings produce 80% of the carbon emissions in our cities, and 40% of carbon emissions worldwide. He has been recognized for his work a multitude of times, most recently being named

a Worlds Cities Summit Young Leader, and the World Smart City Forum top CEO leader. He has appeared on CNN, CNBC, and the BBC as an expert in the global building technology industry. He has lectured at Harvard, MIT, Stanford, Princeton, Columbia University, University of Chicago, Northwestern University, and many other prestigious academic institutions worldwide.

Defendants' Internet Smear and Defamation Campaign

19. In or about September 4, 2022, Shane Liddell (together with other unnamed co-conspirators) began an internet smear campaign designed to destroy the good names and reputations of Cityzenith and its CEO Jansen. Naysmith joined Liddell in his smear campaign. The purpose of the campaign was to thwart Cityzenith's capital fund raising efforts. It was also to falsely portray Jansen as a fraudster, trust fund baby, and hot head who relies on inherited family money, has never met any of his capital fund raising goals for Cityzenith and has a history of poor financial management that has angered important venture capitalists who invested in his prior ventures.

20. Liddell doctored and altered texts and messages he received from Jansen to falsely portray Jansen as unhinged and put those doctored texts and messages up on the internet.

21. Defendants littered the internet with false and defamatory information about Jansen and Cityzenith that falsely accused Plaintiffs of lacking ability or integrity in the performance of job duties and otherwise prejudiced them in their business and profession. These statements are all materially false and damaging to Plaintiffs' good names and reputations. They are designed to interfere with Cityzenith's investor fund raising efforts through crowdfunding. Crowdfunding campaigns rely entirely on a company's internet reputation to be successful as investors invest online. Liddell and Naysmith conspired to discredit Cityzenith and Jansen online to dissuade investors from investing in Cityzenith.

22. Defendants have made the following defamatory statements on the internet regarding Plaintiffs:

False Statements About the Amount of Money Raised by Cityzenith

- a. FALSE STATEMENT (Liddell): Liddell falsely claims that under Jansen's direction, Cityzenith has raised only \$678,000 and failed to attain any of its capital fund raising goals.
- b. TRUTH:
 - i. Plaintiffs' efforts have been a trailblazing success in the crowdfunding arena and has raised \$15 million since inception.
 - ii. Cityzenith's first regulation CF in 2019 reached the maximum allowed for investment, \$1.07 million, and took just 3 months to do so on the Republic Platform.
 - iii. Cityzenith was one of the first American companies to successfully raise money under the crowdfunding EIS game and United Kingdom between 2015 and 2019, raising more than 4,000,000 pounds.
 - iv. Under the leadership of Jansen, Cityzenith's current regulation A+ has been an astounding success, and the company has already raised \$7 million since launching.



Shane Liddell (He/Him) **Author**

1w ***

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | FinTech | ...

His Reg A+ raise as mentioned...



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Shane Liddell (He/Him) **Author**

3d (edited) ***

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You know what also doesn't make sense here is that Jansen claims in his inquiry to Smart Crowdfunding on Wed August 24th '22 that they have "Excessively raise more than \$7 million via crowdfunding already" and again on 28th August in an email shown in the attached PDF to this post, but [Paul Stannard](#) (investor) claims publicly that they have raised \$15M, with \$1M raised in the past 4 weeks, and [Steve M Philp](#) claims publicly that they've raised \$14M. Seems like nobody knows what the f*ck is going on over there. Probably just Jansen spinning different BS to different people to rake in more money. Lies and deceit everywhere! [James Caboy Jr.](#) [Ammon Simon Oscar Jofre Jr.](#) [Mark Roderick Andrew Dix](#)

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False Statement about Cityzenith Lacking a Chief Financial Officers

- a. FALSE STATEMENT (Liddell): Liddell claims Cityzenith has no CFO.

- b. TRUTH: Cityzenith has always had a CFO, most recently Mr. John David Cunningham, who has been Senior CFO for the last two years.

Posted by Liddell

Turning a blind eye seems par for the course these days. Making a hundred grand or so has the ability to shut down brains too.

I'll finish off with this. [Cityzenith](#) has had over 11 years of runway, continuously raising capital along the way. First from institutional investors and now from retail investors (a much softer target).

They have produced very little since.

No CFO? I wonder why?

False Statements About Michael Jansen's Previous Business

- a. FALSE STATEMENT (Liddell): Liddell claims the first use of funds from Sequoia Capital and Silicon Valley Bank's \$13,000,000 investment in Michael Jansen's previous company was used to pay Michael Jansen back a \$180,000 loan. Liddell also claims that Sequoia Capital and Silicon Valley Bank did not reinvest because of Jansen's alleged repayment of a loan to himself.
- b. TRUTH: Jansen had no personal loan of any kind from his previous business. His previous business was profitable from its first year of operations.
- c. Jansen's first business was featured on CNN
https://www.youtube.com/watch?v=Y_g4rTF5aig and CNBC and grew from just 10 employees to over 500 employees in only 4 years. With an initial investment of just \$500,000 for early angel investors, Jansen created a \$25 million company. Sequoia Capital and Silicon Valley Bank jointly invested \$11 million dollars in that business in 2007. Approximately one year later,

both Sequoia Capital and Silicon Valley Bank upped their investments in Jansen's previous company, investing an additional \$2 million.

Posted by Liddell

Apparently, he was approved for funding from Sequoia Capital (yes, this forms part of his sales patter to investors today). The first release of funds from them he used to pay off a loan Satellier had of \$180,000... to himself. He said his salary he wasn't taking was debt and a loan to Satellier. Sequoia put a stop to that right away and he didn't get any more of the funding he was awarded.

False Statements About Michael Jansen's Education

- d. FALSE STATEMENT (Liddell): Liddell claims Michael Jansen did not graduate from Yale.
- e. TRUTH: Michael Jansen graduated from Yale in 1991. He later attended Cambridge University where he studied in the master's program of the department of architecture. He also studied at the school of planning and architecture in New Delhi while on a Fulbright scholarship from 1994 to 1995 and obtained an Associate degree from the Beijing Central Academy of Fine Arts in 1992. He maintains degrees from Yale University, Cambridge University, the New Delhi School of Planning + Architecture, and the Beijing Central Academy of Fine Arts.



Boris Hardi • 2nd

We make knitting fashion again - let's start being oonique

Is that really Yale and Cambridge worthy? Or didn't he study there?

Like ·  1 | Reply · 1 Reply



Shane Liddell (He/Him) **Author**

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

He attended Yale but apparently did not graduate.

4d ***



Shane Liddell (He/Him) **Author**

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

1w ***

I di not expect the Linkedin community to do anything. I have created awareness of the person running CityZenith and their nefarious behavior and threats of violence. Many in my industry have dealt with him in the past.





Shane Liddell (He/Him) **Author**

1w ***

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | FinTech | ...

UPDATE:

Having received an email of support from someone who was once close to Michael Jansen, it appears that I may have uncovered one of the largest crowdfunding scams out there. He is currently raising right now via Reg A+

Here is a part of the email received. The rest is omitted for confidentiality purposes

"I feel bad for the investors, (Redacted) they only have marketing do videos showing the product, there is nothing. (Redacted) I wish more would go public with this, he's stealing money from small investors and then doing the Yale/Cambridge "I went to a better University than you so don't question me" act.

He was a lucky person almost 18 years ago (pre 2008) and he scams people to keep paying his lifestyle. Thanks for the insight he still is a madman."

Like ·  2 | Reply



Shane Liddell (He/Him) **Author**

1w ***

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

Saad Hassan Yes, awareness., that's my point. You think a guy like this should lead a company and be dealing with investors? No, this kind of issue leads to litigation,

Like ·  3 | Reply



Shane Liddell (He/Him) Author

6d (edited) ***

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

It sure does. Living in it has not been much fun, but I will not rest until justice is served. Based on what I've seen, he's a bully, and mentally ill. This behavior of his is not new, just many in his past have capitulated when threatened by him and his attorneys, which he has done many times over in the past.

Like ·  1 | Reply



Shane Liddell (He/Him) **Author**

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

1w ***

What, you think it's okay to just let it slide? People need to know how he conducts himself, especially those who have invested in him. I'm sure many want to see who he really is.

Like ·  1 | Reply



Saad Hassan • 3rd+

Investor | Private Family Office | President & Chief Executive Off...

1w ***

Shane Liddell true so message them separately and privately. No press is bad press, and this will simply raise awareness of his brand. I found that people dont care about the character of founders, they care about whether the founder can make them money. This will trend for a few days and then people will forget what he did- but not the hundreds of people your post will convince to look at his website and maybe even buy from him.

So no, don't let it slide but speak to the people that need to know. Scandals create buzz and buzz leads to profit. Dont give him the satisfaction

Like | Reply



Shane Liddell (He/Him) **Author**

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

1w ***

Saad Hassan Yes, awareness., that's my point. You think a guy like this should lead a company and be dealing with investors? No, this kind of issue leads to litigation,

Like ·  3 | Reply

False Statements Regarding CEO Compensation and Insider Stock Sales

- a. FALSE STATEMENT (Liddell): 50% of the money the company earns from investors goes to the CEO.
- b. FALSE STATEMENT(Naysmith): The CEO earns a \$500,000 salary and \$666,000 in cash compensation.
- c. TRUTH: Michael Jansen the CEO earns a regular salary of \$300,000 and has no additional cash compensation. Jansen did not receive a salary from Cityzenith during its first five years of operations. Jansen has loaned Cityzenith hundreds of thousands of dollars to fund operations over the years. Moreover, the board may, entirely at its discretion, reduce the CEO salary by 50% to 100% at any time if required, a right that has been exercised several times in recent years. Michael Jansen has routinely sacrificed for his company over the more than 14 years that he has been its CEO and has maintained a loyal and growing following of investors.
- d. FALSE CLAIM (Liddell): Many shareholders are selling their shares including the CEO. They have sold \$5.6 million in shares to date.
- e. TRUTH: No one has ever sold any of their shares in this company; a large number have only acquired more shares over time.

Posted by Naysmith

and you're not invited. However, it seems... just about everyone else is. Here's the massive list of people that are getting money into their pockets during this raise rather than the money going to the company (presumably to blow on exorbitant wages and suing innocent people into oblivion.)

Posted by Naysmith

And worse...

So, not only are the founders using this as a personal bank account and taking \$500,000 salaries, but they're also selling \$5.6 million in stock through their current offering.

SHARES OFFERED BY SELLING SHAREHOLDERS ⁽¹⁾	PRICE TO PUBLIC ⁽²⁾	PLACEMENT AGENT COMMISSIONS ⁽³⁾	PROCEEDS TO THE SELLING SHAREHOLDERS
Per Share	\$1.50	1.0%	\$1,485
Minimum Purchase	None	Not Applicable	Not Applicable
Total (3,781,834 Shares)	\$5,672,722	\$36,728	\$5,636,025

(1) The selling shareholders are offering up to 3,781,834 shares of Common Stock, which includes up to 1,236,342 warrants to purchase common shares at a strike price of \$1.00 or \$1.618 per share and up to 1,14,211 options exercisable at between \$1.00 and \$1,618 per share, which shall be offered only after the

and you're not invited. However, it seems... just about everyone else is. Here's the massive list of people that are getting money into their pockets during this raise rather than the money going to the company (presumably to blow on exorbitant wages and suing innocent people into oblivion.)

Name of selling shareholder	Shares of Common stock owned prior to offering ⁽¹⁾	Percentage of Common stock owned prior to offering ⁽¹⁾	Shares of Common stock to be sold ⁽²⁾	Shares of Common stock owned after offering (if all shares are sold) ⁽³⁾	Percent of common stock owned after offering (if all shares are sold)
Abdullah Hassan	22,979	0.10%	3,888	19,091	0.07%
Elizabeth Hahn	59,840	0.27%	10,124	49,716	0.19%
ACG Funding LLC					
Alexander Sam-Amin	13,382	0.06%	2,264	11,118	0.04%
Alvina Capital LLC					
Neumann	12,500	0.05%	2,115	10,385	0.04%
Amrit Ladakaria	15,400	0.07%	2,605	12,795	0.05%
Andrew Estata	300,000	1.34%	50,756	249,244	0.93%
Andrew Elizondo	67,145	0.30%	11,260	55,885	0.21%
Andrew Holt	11,163	0.05%	1,839	9,274	0.03%
Andrew Nicolaou	3,000	0.01%	508	2,492	0.01%
Andrew Penney	7,500	0.03%	1,269	6,231	0.02%
Andrew Tackaberry	51,750	0.23%	8,755	42,995	0.16%
Anthony Edward					
Pratt	9,457	0.04%	1,600	7,857	0.03%
Artes Rana	25,000	0.11%	4,230	20,770	0.08%
Batini Investments LLC					
Benji Fox	2,676	0.01%	453	2,223	0.01%
Bhavika Parasuram	5,000	0.02%	846	4,154	0.02%
Callen Gregory					
Barton	91,589	0.43%	16,172	75,417	0.30%
Christopher Mark					
Patterson	76,723	0.34%	12,981	63,742	0.24%
Christopher					
Richard Short	28,875	0.13%	4,885	23,990	0.09%
David Mosquera	70,000	0.31%	11,843	58,157	0.22%
David Van Daele					
Daniel Van Daele	578	0.00%	98	480	0.00%
Deanna Annett	6,189	0.03%	1,047	5,142	0.02%
David Van Daele	23,000	0.11%	4,150	20,770	0.08%
Dew Valley Corporation					
Denis de Souza	77,647	3.46%	13,091	64,556	2.40%
Denis de Souza	7,753	0.03%	1,312	6,441	0.02%
Denis Karavitis	11,500	0.05%	1,946	9,554	0.04%
Denis Karavitis	21,533	0.24%	3,605	17,928	0.16%
Donald Carlson	24,982	0.11%	4,227	20,755	0.08%
Dr. Ram Shresth	4,100	0.02%	694	3,406	0.01%
Edward Leigh	11,588	0.05%	1,961	9,627	0.04%
Emma Cawpo					
Camille	43,441	0.19%	7,350	36,091	0.13%
Eric Epstein	6,347	0.03%	1,040	5,307	0.02%
Evangelos Karavitis	11,500	0.05%	1,946	9,554	0.04%
Federico Forciniti	342,014	1.53%	57,865	284,149	1.06%
Forrest Renaissance	1,944	0.01%	329	1,615	0.01%
Geoffrey Niedzwiedzki	10,273	0.05%	1,738	8,535	0.03%
George Gyulai					
Benedekhishvili	43,999	0.20%	7,444	36,555	0.14%
Guadalupe de					
Guadalupe de	78,332	0.35%	13,219	64,913	0.24%
Geetha Khera	8,549	0.04%	1,446	7,103	0.03%
Gordon Feller	90,000	0.40%	15,227	74,773	0.28%
Greg Campbell	3,100	0.01%	524	2,576	0.01%
Heath Landry					
(Heath Landry)	45,740	0.20%	7,739	38,001	0.14%
Heidi Antonnappa	10,000	0.04%	1,692	8,308	0.03%
Horace Kevin					
Horace Kevin	89,978	0.40%	15,223	74,755	0.28%
Horace Kevin	55,128	0.25%	9,327	45,601	0.17%
Horace Kevin					
Horace Kevin	30,000	0.22%	8,459	41,541	0.15%
Horace Kevin					
Horace Kevin	33,000	0.15%	5,583	27,417	0.10%
Horace Kevin	60,000	0.27%	10,151	49,849	0.19%
Ivan Alcasem	51,750	0.23%	8,755	42,995	0.16%
Jamal Calcaria	100,000	0.45%	16,919	83,081	0.31%
James Mintz	25,000	0.11%	4,230	20,770	0.08%
James Peter					
James Peter	46,350	0.21%	7,842	38,508	0.14%

Maria Jean Allam					
Leop-Son	9,000	0.04%	1,523	7,477	0.03%
Mark John Godwin	135,000	0.60%	22,840	112,160	0.42%
Mark Newsom					
Markie	47,279	0.21%	7,999	39,280	0.15%
Mark Stephen					
Charles Cleadian	9,175	0.04%	1,552	7,623	0.03%
Mary D. Donohue					
2005 Fund Trust	38,557	0.17%	6,523	32,024	0.12%
Maya Saman	21,372	0.10%	3,616	17,756	0.07%
Melissa Clare Jones	32,113	0.14%	5,433	26,680	0.10%
Michael Jansen	7,518,550	33.64%	1,272,046	6,246,504	23.39%
Michael Kaine	160,000	0.72%	27,070	132,930	0.50%
Mike Agius	63,455	0.28%	10,598	52,719	0.20%
Mihai Boariu	21,372	0.10%	3,616	17,756	0.07%
Mohammed Ameen					
Khan	46,615	0.21%	7,887	38,728	0.14%
Mohit Goyal	61,392	0.28%	10,471	51,421	0.19%
Mona Bajaj	4,000,000	1.79%	800,000	3,600,000	14.99%
Monalini Swan	21,372	0.10%	3,616	17,756	0.07%
Moshika De Maria	4,604	0.02%	779	3,825	0.01%
Nakul Toshniwal	10,250	0.05%	1,734	8,516	0.03%
Nandita Singh	2,050	0.01%	347	1,703	0.01%
Natalie Alman	44,516	0.20%	7,532	36,984	0.14%
Nigal Suman Gill					
Committee	10,273	0.05%	1,738	8,535	0.03%
Nikita Aksaral	15,400	0.07%	2,605	12,795	0.05%
Nico Ann Magie	98,782	0.44%	16,713	82,072	0.31%
Nicki Lai	10,250	0.05%	1,732	8,514	0.03%
Oliver Clements	50,000	0.22%	8,459	41,541	0.15%
Parth Kalchandani	20,500	0.09%	3,468	17,032	0.06%
Patrick Gerald					
Clement	13,762	0.06%	2,328	11,434	0.04%
Patrick L. Hughes	17,097	0.08%	2,993	14,204	0.05%
Paula Mary Sutton	11,500	0.05%	1,946	9,554	0.04%
Pearl Investments					
Pearl Ltd (Mauri					
Pearl	200,000	0.89%	33,838	166,162	0.62%
Peter van de Wouw	4,950	0.02%	885	3,385	0.01%
Philip David Moor	127,463	0.57%	21,565	105,398	0.39%
Pokhali Sunilswaran	23,177	0.10%	3,921	19,256	0.07%
Premod Bhasin	61,892	0.28%	10,471	51,421	0.19%
Prashant Choksey	5,150	0.02%	871	4,279	0.02%
Pratik N. Datal &					
Shantanu Malhotra	10,250	0.05%	1,734	8,516	0.03%
Primaico Management					
Ltd. (Sri Lanka)	19,886	0.09%	3,364	16,522	0.06%
Priya Singh	10,250	0.05%	1,737	1,703	0.01%
Rajesh P. Patel Sah	41,500	0.18%	6,907	34,593	0.13%
Rajiv Dhadialla	20,500	0.09%	3,468	17,033	0.06%
Raymond Bergland	73,000	0.34%	12,689	62,311	0.23%
Robert J.B. D'Arcy	19,886	0.09%	3,364	16,522	0.06%
Ron Diamond	15,000	0.07%	2,518	12,462	0.05%
Ross Johnson					
Samir Kamdar	54,250	0.24%	9,178	45,072	0.17%
Sara Shokila malini	19,761	0.09%	3,343	16,419	0.06%
Shah Mirkhandani	64,114	0.29%	10,847	53,267	0.20%
Schaefer & Associates	30,946	0.14%	5,216	25,710	0.10%
Schwab Family					
Barocello Living					
Trust	31,250	0.14%	5,287	25,963	0.10%
Sean Bransan	188,313	0.84%	31,860	156,453	0.58%
Shah Nihalpuri					
Naresh	25,645	0.11%	4,339	21,306	0.08%
Shale Selzer	40,000	0.18%	6,768	33,232	0.12%
Shambhu Sarpurw	2,050	0.01%	347	1,703	0.01%
Shine Paul	63,540	0.29%	11,139	54,701	0.20%
Shivam Patel	9,587	0.04%	1,447	7,000	0.03%
Simon Paul Day	66,910	0.30%	11,767	3,313	0.01%
Steve Barnes	66,910	0.30%	11,320	55,590	0.21%
Sunita Gorish					
Choksey	2,150	0.02%	871	4,279	0.02%
Symon Capital	299,640	1.30%	49,173	241,467	0.90%
Taronga Ventures					
Pty Ltd	70,000	0.31%	11,843	58,157	0.22%
Tim Bensiek	31,250	0.14%	5,287	25,963	0.10%
Timothy Donokos	96,372	0.43%	16,305	80,067	0.30%
Timothy Gallaher	38,557	0.17%	6,523	32,024	0.12%
Toby Anant Living					
Trust	23,177	0.10%	3,921	19,256	0.07%
Todd Anant	18,057	0.08%	3,055	15,002	0.06%
Tom Anant	18,057	0.08%	3,055	15,002	0.06%
Trudy Oter	7,417	0.03%	1,255	6,162	0.02%
United States					
Investment Partners,					
LLC	100,328	0.45%	16,974	83,354	0.31%
Uma Akhtar	51,105	0.23%	8,646	42,459	0.16%
Vikas Choudhary	2,050	0.01%	347	1,703	0.01%
Viraj Nathani	2,050	0.01%	347	1,703	0.01%
WKLJ LLC	42,743	0.19%	7,224	35,211	0.13%
Yash Agarwal	31,598	0.25%	6,845	42,453	0.16%
Yogurt (Jash)					
Siddiqui	2,314,552	11.13%	421,794	2,071,258	7.72%
Yusef Kassim	14,438	0.06%	2,442	11,994	0.04%
Zubair A. Zahran	341,910	1.53%	57,847	24,065	1.06%
Total	22,352,905	100.00%	3,781,834	18,571,070	69.25%

As you can see, there's a long list of VCs, insiders, friends, family, and "CityZenith Capital Fund LLC" selling millions of shares here for a company that has essentially no value. In 2019 and 2020, it lost a combined \$3 million and had less than \$160k in revenue.



Shane Liddell (He/Him) Author

5d ***

Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

Dimitri Bocharov As per where the money goes, each time they raise, it seems like it goes mainly into Jansen's pockets to support his flash lifestyle. Around 50% of their payroll expenses go to him too.

Like · 1 | Reply



Dmitry Tarasev (They/Them) • 3rd+

5d ***

Making problems, breaking solutions.

Shane Liddell His own pay was the first thing that stood out to me, especially for a company that's still raising money and is not where near breaking even. A fifth of the operating expenses of the entire company!

Not to mention the fact that for a fully remote company there are an awful lot of interesting expenses as well.

I recall seeing meals alone adding up \$15k.

"Medical expense" , "Telephone expense", "Auto expense", "Cleaning", "Entertainment", "Utilities", "Office expense"

Add up to another \$35k.

Payroll isn't the only place worth scrutinizing...

<https://www.sec.gov/Archives/edgar/data/1778262/000109690621000967/c-ar.pdf>



Sagar Patel • 2nd
Senior Facilities Mechanical Engineer

5d ***

I am a investor through Republic and feels like i did a mistake. I do remember one instance when "Cityzenith" raised their valuation cap from \$12 Million to \$20 Million without notifying any of the followers so they could get a chance to invest at a lower valuation... Sorry to hear what is all going on... 😞 😞

Like · 2 | Reply · 1 Reply



Shane Liddell (He/Him) **Author**
Crowdfunding Veteran | Equity Crowdfunding | Tokenization | Fi...

5d (edited) ***

Sorry to hear that, and no surprise to hear about their lack of communication with existing retail investors. In fact, I'm led to believe that they intentionally close/ block communication links with retail investors, as do not want to be bothered by them. I foresee a class action lawsuit on the horizon, but that's just what my crystal ball shows me right now.



Shane Liddell (He/Him) **Author**
Crowdfunding Veteran | Equity Crowdfunding | Tokenization | FinTech | ...

1w ***

UPDATE:

Having received an email of support from someone who was once close to Michael Jansen, it appears that I may have uncovered one of the largest crowdfunding scams out there. He is currently raising right now via Reg A+

Here is a part of the email received. The rest is omitted for confidentiality purposes

"I feel bad for the investors, (Redacted) they only have marketing do videos showing the product, there is nothing. (Redacted) I wish more would go public with this, he's stealing money from small investors and then doing the Yale/Cambridge "I went to a better University than you so don't question me" act.

He was a lucky person almost 18 years ago (pre 2008) and he scams people to keep paying his lifestyle. Thanks for the insight he still is a madman."

False Statement that Regulation A+ Fund Raising Round Halted

- a. FALSE STATEMENT (Naysmith): Rialto Markets halted Cityzenith's Regulation A+ fund.

- b. TRUTH: Rialto Markets did not halt Cityzenith's regulation A+ fund raising round.

Posted by Naysmith

Some Good News

If you're an investor, there's no good news. You got scammed. However, for everyone else, Rialto Markets has since halted CityZeniths Reg A raise once presented with this evidence. As well, I will likely forward this same evidence to any platform that plans to list them, and I might even report them to the SEC for fun. So while it's unfortunate for the 6000 investors involved, hopefully, they will no longer receive any money from any more investors.

False Statements About Insider Stock Sales and Investors Jumping Ship

- a. FALSE STATEMENT (LIDDELL): Defendant claims many investors are selling off their shares in the current round.
- b. TRUTH: Cityzenith maintains a consistent 85-90% investor satisfaction rating, and 50% of Cityzenith's investors recently invested again. More than 40% of the plaintiff's investors have been invested three times or more. Three investors have invested more than twenty times.
- c. FALSE STATEMENT (LIDDELL): Defendant claims that "Jansen and his father" have sold off their shares in the company.
- d. TRUTH: Jansen has never sold his shares, and his father is not a shareholder.



Shane Liddell (He/Him) **Author**

5d (edited) ***

Crowdfunding Veteran | Equity Crowdfunding |Tokenization | Fi...

Well spotted re the SEC filling. So many nvestors are bailing in the current round. including Jansen and his Father, all at the expense of mainly retail investors.

Like ·  1 | Reply



Shane Liddell • 2nd

+ Follow

...

Crowdfunding Veteran | Equity Crowdfunding |Tokenization ...

5d • Edited • 

Some of you may have seen a post recently of my naming and shaming a CEO of a company, whereby when I said I'd pass in doing business with him, he erupted into a frenzy of threatening emails, which then progressed to a barrage of Linkedin messages of the same, including threats of violence.

You can read the post and comments here: <https://lnkd.in/ebTqEzrk> (You will see in the comments where Jansen blatantly lies and edited an email and posted it to suit his nefarious purposes)

Since then, there have been many come forward explaining that this is the typical behavior of Michael Jansen. Some anonymously, and some publicly. All have been on the receiving end of his childish and threatening behavior

As a silver-spoon fed individual, with a privileged upbringing (apparently his daddy lent him \$2M to get his business started), it comes as no surprise that his modus operandi is to bully and threaten anyone who crosses him in any way.

At the time of posting, my intentions were to create awareness of this ludicrous and threatening behavior. Nothing more. However, as things progressed from there, it became quite clear that I was in fact dealing with a madman.

I have dealt with many nefarious characters in my career, and outing scammers and the like was something I got involved in back in the day when we were marketing rewards- based crowdfunding campaigns 2012 - 2018. Most when caught with their pants down react with anger, vitriol and all those things we expect from those who are guilty.

Here is the full conversation (below in the PDF) I have had the pleasure of having with Micheal Jansen here on LinkedIn 😊

Some of you may find the conversation with Jansen as childish. Childish on my part too. But, bear in mind that sometimes, my own childish behavior helps bring out the true character of some people. Correction: Maybe not quite true, as I can be a real child at times. But hey, who wants to grow old in a hurry.

U.S. Securities and Exchange Commission FINRA Federal Bureau of Investigation (FBI) Rialto Markets James Caboy Jr. Ammon Simon Andrew Dix Kok-Chin Tay
#startups #entrepreneurship

CAUSES OF ACTION

COUNT I

DEFAMATION *PER SE*

23. Plaintiffs reallege and incorporate by reference paragraphs 1-22.
24. Defendants' false and defamatory statements that are subject of this Count are alleged in paragraph 22.
25. In making the false statements, Defendants acted negligently, recklessly, or intentionally.
26. Defendants fabricated and spread the false and disparaging statements concerning Plaintiffs to third parties with actual malice, knowing that the statements were false, with reckless disregard for the truth or falsity, or with negligent disregard for the truth or falsity.
27. The false statements impute want of integrity and ability to Plaintiffs in their profession or business or otherwise prejudiced them in their profession or business and therefore constitute defamation *per se*. The false statement says that Plaintiff Cityzenith is not a real company, that it and Jansen are a fraud and a front for a team of criminals who are looking to launder money from the U.S. This is an imputation of violation of U.S. criminal laws.
28. The false statements constitute defamation *per se* with damage to reputation presumed.
29. The false statements were made as an unequivocal statement of fact and is not susceptible to any innocent construction.
30. The false statements harmed and continue to harm Plaintiffs through loss of reputation, loss of investments and humiliation and emotional distress to Jansen causing damages in excess of \$2,000,000.

31. Defendants' defamation of Plaintiffs is causing Plaintiffs to suffer irreparable injury that cannot be rectified by money damages alone.

32. Defendants made the false statements willfully and with actual malice as a part of its full court assault on Plaintiffs, subjecting Defendants to substantial actual and punitive damages in excess of three times actual damages.

WHEREFORE, Plaintiffs request that this Court enter judgment in their favor and against Defendant as follows:

- A. Grant preliminary and permanent injunctive relief restraining Defendant and those in active concert or participation with her from making the disparaging falsehoods and continuing to defame Plaintiffs;
- B. Require Defendants to remove her defamatory posts about Plaintiffs from various websites on the internet;
- C. Award actual and compensatory damages in an amount in excess of \$2,000.000;
- D. Award punitive and exemplary damages in an amount in excess of \$6,000,000;
- E. Award court costs; and
- F. Award such other relief as the Court deems necessary and appropriate.

COUNT II

FALSE LIGHT INVASION OF PRIVACY

- 33. Plaintiff Michael Jansen realleges and incorporates by reference paragraphs 1-32.
- 34. The false statements that are the subject of this Count are alleged in paragraph 22.
- 35. In making the false statements, Defendants acted negligently, recklessly or intentionally.

36. Defendants fabricated and spread the false and disparaging statements concerning Plaintiffs to third parties with actual malice, knowing that it was false, with reckless disregard for the truth or falsity, or with negligent disregard for the truth or falsity.

37. The false statements impute want of integrity to Jansen.

38. The false statement placed Jansen in a false light to the public and to potential investors in Cityzenith.

39. Defendants fabricated and spread the false and disparaging statements concerning Jansen with actual malice, knowing that they were false, or with reckless disregard for their truth or falsity. The false statements were made as an unequivocal statement of fact and is not susceptible to any innocent construction.

40. The false statements have harmed and continue to harm Jansen by causing humiliation, emotional distress, loss of reputation, and damages due to Plaintiffs' encouraging others not to do business with Jansen or Cityzenith causing damages in excess of \$2,000,000.

41. Defendants' portrayal of Jansen in a false light is causing Jansen to suffer irreparable injury that cannot be rectified by money damages alone.

42. Defendants made the false statements willfully and with actual malice as a part of its full court assault on Jansen, subjecting Defendants to substantial actual and punitive damages in excess of three times actual damages.

WHEREFORE, Plaintiff Michael Jansen requests that this Court enter judgment in their favor and against Defendants as follows:

G. Grant preliminary and permanent injunctive relief restraining Defendants and those in active concert or participation with them from making the disparaging falsehoods and continuing to defame Jansen;

- H. Require Defendants to remove their defamatory posts on various websites about Jansen from the internet;
- I. Award actual and compensatory damages in an amount in excess of \$2,000,000;
- J. Award punitive and exemplary damages in an amount in excess of \$6,000,000;
- K. Award costs of suit and attorneys' fees; and
- L. Award such other relief as the Court deems necessary and appropriate.

DEMAND FOR A TRIAL BY JURY

Pursuant to Fed. R. Civ. P. 38(b), Plaintiffs demand a trial by jury on the claims so triable.

CITYZENITH HOLDINGS, INC.,
AND MICHAEL JANSEN

By: /s/ Peter S. Lubin
One of their attorneys

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